

example in any effective way; on the contrary its own examples of extravagance and high living have had a detrimental effect in contributing to inflationary psychology and inflationary actions throughout our economy.

Where our country is today, where the government is today, and what it says it has to do today—these facts are in themselves a most eloquent condemnation of the government since it came to office.

As far as the repertoire of the Prime Minister is concerned, I suppose he has gone full circle. Early in the day we saw him with a hair shirt doing a hair shirt routine in his first so-called war against inflation. Next we saw him over the years in the arrogant routine, the complacent routine, that rather brief humble routine, then the fighting routine, the invisible routine, and now we are back again to the hair shirt routine.

Some hon. Members: Hear, hear!

Mr. Stanfield: However, this time around the rate of unemployment in the country is about double what it was when the first war against inflation got under way. The forecast budget deficit this fiscal year is over one quarter what total expenditures were at that time. Our forecast balance of payments deficit this year is over a third of what total government expenditures were then. The government's forecast of its cash deficit or requirements this fiscal year is roughly one half of what total government expenditures were when that first war against inflation was declared. Government expenditures have tripled since the Prime Minister took office. Despite all the histrionics we have seen in recent days, expenditures are still up by an undisclosed percentage. It is no wonder that that hair shirt is hairier in 1975 than it was in 1969. It is hairier and scarier.

Some hon. Members: Hear, hear!

Mr. Stanfield: That is the essence of the message we received tonight from the President of the Treasury Board. This minister has not had these responsibilities for a long period of time. I believe he is sincere, and I believe he is prepared to be tough about his job in this House and in the country. I think he is carrying the can for the Prime Minister, just as the country at large will be carrying the burden created by the awful economic incompetence of the government over the years.

It must be painful for the minister to stand in his place tonight and talk about restraint in terms of the examples he has given the House. If effective restraint had begun, say, three years ago when the previous minister of finance first started preaching, we in this country would be undergoing a much less traumatic experience today.

As is so often the case with the government, there is nothing restrained about the panoply with which it has wrapped and packaged this evening's statement. We have the President of the Treasury Board here in the House telling us how difficult and painful this whole affair has been for him. To hear him tell it, there would seem to be grave doubts whether some of his colleagues over there would ever speak to him again.

Shortly, of course, we will see the Prime Minister on television telling the people of Canada how it really hurts

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him more than it will hurt them, but reassuring one and all that, after all, this government knows best. I dare say that if you did not know the players, if you had not seen this comedy before, you would be tempted to believe it was pretty powerful stuff which was being placed before us. Unfortunately for the government, and even more unfortunately for those who have had to suffer through it, we have, to put it mildly, heard this song before, and not only once before.

The House may recall, for example, hearing the then minister of finance tell us back in 1973 that he was putting a tight rein on government spending to avoid aggravating inflation. That was the year you will recall, Sir, that government expenditures on a national basis increased by 24 per cent. Undaunted as he always was, that same minister of finance was before us in May of 1974, proclaiming a budget which, to use his own words, "reflects my determination to deal with inflation", by restricting spending. As things turned out, that was indeed a vintage year for restraint, as practised by the government. Expenditures increased during that fiscal year by 30 per cent.

• (2040)

Whatever else we granted him, Mr. Speaker, we on this side of the House will admit that the former minister of finance did not let failure stand in his way.

Some hon. Members: Hear, hear!

Mr. Stanfield: He was back at it again last June. This was the year, as he so eloquently put it, of the "tough line," when the declared goal was "to ensure that outlays grow no faster than the economy as a whole". Well, the outlays are going to increase by at least 16 per cent; even the Jean who has succeeded the John concedes that. Oh, Sir, that we had that kind of economic growth!

Given that kind of historical background, Mr. Speaker, you will forgive me if my initial reaction this evening—and I venture to say the initial reaction of many Canadians—is one of profound scepticism.

Some hon. Members: Hear, hear!

Mr. Stanfield: For the unfortunate truth of the matter is that it is the government's sad and sorry record of any semblance of self-restraint in recent years which has brought us to where we are this evening, and which now promises to inflict new hardship on those Canadians least able to bear it.

Some hon. Members: Hear, hear!

Mr. Stanfield: It makes me very angry, Sir, to think of the price these Canadians now must pay for the government's failure even to approach the kind of restraint in its own activities it has so constantly promised.

Take the cuts the minister talked about tonight—he is cutting \$1½ billion in expenditures. That has to be described as a con game.

Some hon. Members: Hear, hear!

Mr. Stanfield: He says he is cutting back on the estimates as they stood in November of this year. Mr. Speaker,